

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: MIDAMERICAN ENERGY COMPANY	DOCKET NOS. APP-96-1 RPU-96-8
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**ORDER APPROVING REVENUE SHARING PLAN
AND REQUIRING REPORT**

(Issued January 25, 2001)

On January 22, 2001, MidAmerican Energy Company (MidAmerican) filed with the Utilities Board (Board) its return on common equity calculations for 2000 pursuant to Appendix V of the settlement approved by the Board on June 27, 1997, in Docket Nos. APP-96-1 and RPU-96-8. The settlement requires MidAmerican to file by February 15 of each year through year 2001 calculations showing its return on equity for Iowa jurisdictional electric operations. If MidAmerican's return on equity exceeds 12 percent, the settlement requires MidAmerican to return 50 percent of the excess earnings to non-contract customers. MidAmerican's equity calculations show an equity return of 14.9 percent, resulting in a refund of approximately \$21.6 million due to customers.

MidAmerican and the Consumer Advocate Division of the Department of Justice (Consumer Advocate) filed a motion on January 22, 2000, for approval of a revenue sharing plan to allow the revenue credits to be reflected in bills that are prepared beginning January 26, 2001. MidAmerican and Consumer Advocate ask

for expedited approval because the combination of winter weather and rising natural gas prices has created unprecedented utility bills for scores of MidAmerican customers. Pursuant to the refund plan, MidAmerican residential customers can expect to see a one-time credit of approximately \$20 reflected on their bills beginning in late January.

MidAmerican and Consumer Advocate state in their joint motion for approval that they understand the revenue credit resulting from approval of the revenue sharing plan may not be the only revenue credit that will be required for 2000. Consumer Advocate reserves the right to conduct additional investigation and petition the Board to order additional refunds in the event the refunded amount or method of calculation proposed herein is determined to be insufficient or unreasonable.

The Board has reviewed MidAmerican's revenue sharing plan and will approve it, subject to additional refunds, if warranted, as determined in a subsequent contested case proceeding. In addition to Consumer Advocate, other parties to Docket No. APP-96-1 are among those who may request such a proceeding after their review of the calculations is complete. No parties' rights are jeopardized or diminished by expedited approval because they will be able to request additional refunds after having sufficient time for a thorough review of the plan.

Most important, MidAmerican customers benefit from expedited approval. Customers will receive some measure of relief from this season's high utility bills almost immediately, while retaining their rights to additional refunds, if warranted.

After completion of the refunds, MidAmerican will be required to file a refund report within 90 days.

IT IS THEREFORE ORDERED:

1. The revenue sharing plan filed by MidAmerican Energy Company on January 22, 2001, is approved, subject to additional refunds, if warranted, as determined in a subsequent contested case proceeding.
2. MidAmerican Energy Company shall file a refund report within 90 days of completion of the refunds.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Judi K. Cooper /s/ Diane Munns
Acting Executive Secretary

Dated at Des Moines, Iowa, this 25th day of January, 2001.